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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 10/12/07

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ARTICLES:

- (1) Diet interpellations

The following is a gist of questions and answers in the House of Councillors during its plenary sitting yesterday.

Kazuyoshi Shirahama (New Komeito)

MSDF refueling: To continue the Maritime Self-Defense Force's activities in the Indian Ocean is a message to the international community, meaning that we will never accept terrorism.

Myanmar (Burma): A Japanese reporter was killed in the military crackdown on antigovernment demonstrators. What's the government's response to Japan's aid to that country, such as nonreimbursable financial cooperation and technical cooperation?

Prime Minister Yasuo Fukuda

MSDF refueling: The MSDF's refueling activities in the Indian Ocean are highly appreciated in the international community. The MSDF's refueling mission there is also in Japan's national interests. Japan needs to continue the MSDF's refueling mission there in order for Japan to continue fulfilling its international responsibility in the war on terror. The government is now studying a legislative measure that is needed to continue the MSDF's refueling activities. The government will immediately present the opposition parties with the bare bones of a new legislation, and then we would like to start discussions.

Myanmar: Japan's economic cooperation has been limited to humanitarian projects that will directly benefit the people of

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Myanmar. However, in view of the present-day situation in Myanmar, the government is also looking into the possibility of narrowing Japan's economic cooperation further.

Kazuyasu Shiina (Liberal Democratic Party-Independent Club)

MSDF refueling: Was the MSDF's fuel used for any other purposes?

Discontinuing MSDF refueling and its impact: What's your view of the impact of discontinuing the MSDF's refueling activities?

Support for the war on terror: Democratic Party of Japan (Minshuto) President Ichiro Ozawa says it's tantamount to collective self-defense and unconstitutional.

Prime Minister Fukuda

MSDF refueling: The MSDF has been refueling foreign naval vessels. These days, about 50 PERCENT was for those from France, about 30 PERCENT for the United States, and about 13 PERCENT for Pakistan, the only Islamic country among the participating countries. The MSDF's refueling activities in the Indian Ocean are highly appreciated in the international community, including the United Nations. I will do my best so that they (DPJ) will understand the necessity of continuing the MSDF's refueling activities there. It's my understanding that the MSDF's fuel has been used appropriately in conformity with the Antiterrorism Special Measures Law's purport. However, the Defense Ministry is now reconfirming this.

Defense Minister Shigeru Ishiba

Discontinuing MSDF refueling and its impact: If Japan ends the MSDF's refueling activities, they will have to be berthed for refueling at the risk of coming under terrorist attacks.

Cabinet Legislation Bureau Director General Reiichi Miyazaki

Support for the war on terror: The MSDF's underway replenishment there in the Indian Ocean does not fall under the category of using armed force. It's stipulated (in the Antiterrorism Special Measures Law) so that the MSDF will not be involved in foreign countries' use of armed force. Including the issue of (Japan's prohibition against)

collective self-defense, it's not against the Constitution's Article 19.

(2) LDP to decide whether to enact new antiterrorism legislation during current session or to carry it over to next session, while closely watching public opinion

YOMIURI (Page 4) (Full)
October 12, 2007

The government of Prime Minister Yasuo Fukuda will approve in a cabinet meeting on Oct. 17 a new antiterrorism bill to allow the Maritime Self-Defense Force (MSDF) to continue its refueling mission in the Indian Ocean and send it to the House of Representatives the same day. However, enacting new refueling legislation during the ongoing Diet session will be difficult, as the Democratic Party of Japan (DPJ or Minshuto), which is the largest party in the House of Councillors, intends to oppose the legislation. The ruling parties are now considering whether they should pass the bill during the current session or carry it over to a regular session next year.

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Taking vote twice in Lower House

Prime Minister Fukuda told reporters last evening in a strong tone: "I want to continue the (refueling) operation. We will then fight against terrorism along with the international community."

Fukuda hopes to explain the purpose of the new legislation at a Lower House plenary session on the 19th, aiming at enacting it in early November. The present Antiterrorism Special Measures Law expires on Nov. 1. If the new antiterrorism law fails to pass the Diet, the MSDF will have to discontinue its mission. In order to resume the operation as early as possible, it is indispensable to enact the legislation during the current session. In an attempt to get it through the Diet, the term of the current session will have to be extended until Nov. 10.

The term of an extraordinary session is allowed to be extended twice. So, in order to avoid adverse effects on the compilation of a budget for fiscal 2008, the current session would be extended for about one month until early- or mid-December. When the Upper House votes down the legislation, the Lower House can take a second vote. In that case, the session would be extended until January. Since the Constitution stipulates that if the Upper House fails to take a vote on a bill within 60 days after the Lower House has passed it, it is considered that the Upper House voted down the bill, and the Lower House can take a vote again. A senior LDP member said: "If 60 PERCENT -70 PERCENT of the public support the refueling mission in polls, a second vote should be taken in the Lower House."

Passing the bill through the Lower House alone

If the DPJ submits to the Upper House a censure motion against the prime minister in reaction to the ruling coalition's taking a second vote in the Lower House, and the motion is adopted, the prime minister may have to dissolve the Lower House. One member in the ruling coalition pointed out:

"One of the reasons for the relatively high support rate for the Fukuda cabinet is that it doesn't act recklessly. In that sense, taking a second vote might damage the image of the Fukuda government. This might lead to a defeat in the next Lower House election."

It is possible that the government might aim to enact the legislation in the next regular session after passing it through the Lower House during the ongoing session, in order to avoid dissolving the Lower House, while showing its efforts for continuing the MSDF refueling operation.

Should the legislation be scrapped due to a lack of time for deliberations in the Upper House, the ruling camp will submit it again to a regular session. If the DPJ decides in the Upper House to continue deliberations on it, the legislation will remain in the

Upper House, in which the DPJ holds the leadership. As a result, the bill could remain limbo. If the bill is carried over to the next session, the possibility of the bill passing through the Diet will disappear.

Carrying over to next Diet session

There is another option that the ruling coalition will decide to

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continue deliberations on the legislation in the Lower House without sending it to the Upper House. In this case, it is possible to end the current session on Nov. 10, not extending the session. However, the dominant view in the ruling camp is that it will be difficult to obtain the understanding of the international community if the government gives up continuing the refueling operation without passing the new legislation through the Lower House.

Some in the ruling camp are concerned that they might be criticized by the public if the session is not extended because the extra Diet session went into recess for about three weeks due to the LDP presidential election.

The ruling coalition will determine the best option while keeping close watch on the public support for the MSDF refueling mission.

(3) DPJ President Ozawa to visit China in December

YOMIURI (Page 4) (Full)
October 12, 2007

It has been decided that Ichiro Ozawa, president of the leading opposition Democratic Party of Japan (DPJ or Minshuto), will visit China on Dec. 6-8. Ozawa conveyed his plan yesterday to Chinese Ambassador to Japan Cui Tiankai.

(4) New Komeito in quandary over whether to accept LDP bill amending revised Political Funds Control Law

TOKYO SHIMBUN (Page 2) (Full)
October 12, 2007

The Liberal Democratic Party (LDP), the Democratic Party of Japan (DPJ), and the New Komeito have presented their respective draft amendments to the revised Political Funds Control Law. Although the LDP and the New Komeito are groping for ways to submit a joint proposal, the gulf remains wide in both sides' views on the scope of receipts subject to disclosure. The New Komeito is now under increased pressure to determine whether it should reject the LDP draft or make a concession.

Just after the Fukuda administration was inaugurated, the LDP and the New Komeito agreed to aim at submitting to the current Diet session a bill amending the revised law that would require political groups to attach receipts for expenditures of more than one yen (excluding personnel costs).

The DPJ proposes in its draft bill requiring political groups to attach receipts for more than one yen and also disclosing their contents. The main opposition party intends to submit the bill to the current Diet session. The New Komeito, too, has insisted on the need for disclosing the contents of receipts.

In contrast, the LDP is negative about disclosing receipts, citing the reason that "the disclosure requirement might obstruct our free political activities." In a meeting with the New Komeito on Oct. 10, the LDP presented a package of concessions to: (1) disclose all receipts for payments from political subsidies; (2) specify the scope of disclosure of payments from donations from individuals, companies, and groups in government ordinances, reflecting the results of consultations between the ruling and opposition parties, instead of specifying it in the bill; and (3) guarantee the

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transparency of payments by having a third-party organ check submitted receipts.

In executive talks of the LDP Reform Implementation Headquarters yesterday, it was confirmed that the party would not include the measure of full disclosure in its bill. A senior member of the headquarters told reporters yesterday: "There are an estimated over one million receipts for expenditures of more than one yen. It will be very heavy clerical work to submit all the receipts."

The New Komeito intends to compile a report of replies to the LDP today. Many party members are critical of the LDP draft, one claiming: "The standard for items subject to the disclosure requirement is tolerant." Another criticized: "It will provide loopholes." But there are members who suggest that the party should find a means of surviving by accepting the LDP draft. There are also some who insist that the LDP and the New Komeito, without producing a joint plan, should present their respective bills.

LDP Secretary General Bunmei Ibuki met with New Komeito Vice President Junji Higashi yesterday and made this request: "(The LDP draft) would call for full disclosure if the talks between the ruling and opposition parties reach a settlement. Since the New Komeito succeeded in convincing the LDP in a sense, I would like you to make efforts to form a consensus in your party."

If the New Komeito accepts the LDP draft, the party will unavoidably come under fire from the DPJ assailing: "The New Komeito has retreated." Even so, it has no good ideas for persuading the LDP over a short period of time. Senior New Komeito members are now in a great quandary.

(5) A tug-of-war took place between central and Aomori governments over use of Aomori Airport by US military

ASAHI (Page 34) (Abridged slightly)
October 12, 2007

Manabu Aoike

"You must let the US military use the airport." "That is not possible. In this day and age, we must respect public opinion." Following the Aomori prefectural government's rejection of a request for the use of Aomori Airport by the US military in April 2006, a fierce tug-of-war took place between the Foreign Ministry, which tried to pressure the prefectural government into reversing its rejection out of consideration for Japan-US relations, and the prefectural government, which tried to uphold its rejection, according to an internal document by prefectural authorities.

The document compiled by prefectural authorities testifies to what took place between the prefectural government and the central government and the US military over the US military's request.

According to the document, the prefectural government seaport and airport division received a telephone call from the US forces shortly before 10:00 a.m., April 19, 2006.

On the phone, a US military officer said: "We would like to use a small jet from Aomori Airport to Camp Zama to transport US Army Japan Commander Maj. Gen. Elbert Perkins and US Embassy Tokyo Political Minister-Counselor Michael Meserve after paying a courtesy

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call on the Aomori governor."

In principle, the prefecture allows US military aircraft to use Aomori Airport only in emergencies or when there is a need for it from a humanitarian perspective. Gov. Shingo Mimura decided to reject the request based on this principle, and his decision was conveyed to the US forces.

In 1982, before the opening of the Aomori Airport now in use, the prefectural government received a local request not to use the airport militarily. The prefectural government declined the US request by citing the principle in deference to the sentiments of

residents of Aomori, home of the US Air Force's Misawa Air Base.

The rejection drew a strong reaction from the Foreign Ministry. The prefectural government received a call from the Foreign Ministry at 6:00 p.m., April 19.

A Foreign Ministry official said: "Please let the US military use the airport. If you are to reject the request, what are your grounds in terms of the Aviation Law or a prefectural ordinance? The US military is entitled to use the airport under the Japan-US Status of Forces Agreement (SOFA)."

There is a prefectural ordinance requiring the US military to file a request with the governor in advance for use of the airport by US military aircraft. "There were no legal grounds for the prefectural government to turn down the request," a prefectural source said.

Still, the seaport and airport division director declined the request on the phone, saying: "We have to turn down the request because it is neither an emergency nor requiring humanitarian consideration."

At 6:40 p.m., the prefectural government received another call, this time from the Ministry of Land, Infrastructure, and Transport (MLIT).

A MLIT Civil Aviation Bureau official said: "We are aware that you must give thought to the environment, noise, local sentiments, and other matters. But we still want you to give consideration to the request."

A prefectural officer replied: "We cannot change our decision."

A prefectural official placed a call to the Foreign Ministry at 7:30 p.m.

A Foreign Ministry official said: "We have learned of the prefectural government's view from the Civil Aviation Bureau. Please reconsider the request."

A seaports and airports division official: "We are in an age of respecting local views and thinking. There will be no change in our thinking."

The prefectural government continued to clash with the Foreign Ministry on April 20. A Foreign Ministry SOFA Division official said at 10:15 a.m.: "Please permit the US military to use Aomori Airport. The request was filed by the US Embassy. Under the SOFA, the US military has the right to use the airport. (Rejecting the use of the airport by the US military) is a violation of the agreement. The

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matter concerns Japan-US relations. Please raise it to the attention of the governor and let us know his reaction."

The prefectural land development department director said: "I will talk to the governor."

Learning of the Foreign Ministry's view, Governor Mimura said to a senior prefectural official in a strong tone: "Even if they come here to pay a courtesy call, I will not meet them."

At 11:45 a.m., the prefectural government delivered the ultimatum over the phone, with the prefectural land improvement department director saying: "I have talked to the governor, but he hasn't changed his mind, so the answer is 'no.'"

A Foreign Ministry official finally said: "I see."

With this, the series of intense telephone conversations between the central government and Aomori prefectural government came to an abrupt end at 2:05 p.m. Later on, the seaports and airports division received a call from another division in contact with the US military, which said: "The request for the use of the airport by US military aircraft has been cancelled." The courtesy call never took place.

Request for use of Aomori Airport by the US military

The request was made in April 2006 for the planned courtesy call on Governor Mimura by the US Army Japan commander and others in connection with the deployment of the X-band radar in Tsugaru City, Aomori Prefecture.

The request seemingly came from the judgment that it would be much faster to use Aomori Airport than moving from the prefectural government office to Misawa Air Base in eastern Aomori. Article 5 of the SOFA stipulates that US aircraft are allowed to move between US military facilities and airports in Japan.

(6) Pakistan expects MSDF to continue refueling operations

NIKKEI (Page 2) (Slightly abridged)
Eve., October 12, 2007

Tsuyoshi Sunohara

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Former Deputy Secretary of State Richard Armitage and other pro-Japan Americans are calling for Japan to continue its Maritime Self-Defense Force's (MSDF) refueling operations in the Indian Ocean. They want Japan to firmly uphold the Japan-US alliance, which has entered a new age, and they do not want to see Japan return to its past practice of checkbook diplomacy.

"We are sorry we can't accept this fuel oil." When an MSDF officer was told this by a Pakistani naval officer in the Indian Ocean near Pakistan in late July 2004, the MSDF officer could not believe his ears. As the reason for refusing to accept the oil, the Pakistani officer cited the "quality" of oil the MSDF's supply ship was going to provide.

When one country's warship refuels another country's warship, the common refueling method is that after receiving fuel from the tanker, this country's warship puts the fuel in its supply tank and

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then supplies the fuel to the tank of another country's ship. But under this method, the impurities in the oil, such as sand and rust, are also transferred to the other country's ship. So, the ship that received the fuel must be equipped with a fuel purifier. If fuel of low purity is used, the gas turbine engine, which is so delicate that it also can be used for an aircraft, could be damaged.

Most of the ships in the Pakistani Navy are so obsolete that their purifiers no longer function properly. But the engine, which is the heart of a ship, needs to be used long, so Pakistan cannot accept fuel of low quality, such as the variety being supplied directly from tankers. That was the reason the Pakistani Navy initially declined receiving fuel from Japan.

Japan, immediately after understanding the situation the Pakistani Navy ships were placed in, ordered every supply ship like the Towada to "take the extra time to filter fuel inside the ship" after receiving it from tankers or other ships, and they then pumped in the filtered fuel to the Pakistani vessel, an MSDF official said. The fuel Japan provided to Pakistan no longer is a problem, of course.

Japan since then has purified the fuel given by the tanker in three stages: (1) in the supply tank; (2) by means of a purifier; and (3) in a special tank for purified fuel. The United States and Britain have lauded Japan for this process to improve the fuel to the quality sought by Pakistan, describing that it is "consideration worthy of Japan." Since then Japan has refueled Pakistani naval ships a total of 141 times, second only to the 351 times that warships of the US forces have been serviced.

The US and Britain can provide the same fuel (No. 2 diesel oil) as Japan does. But in the case of US warships, their fuel tanks also function as ballasts, a device to adjust buoyancy. In their fuel

tanks, "fuel and sea water are mixed and they are again separated off when fuel is needed," a source familiar with Japan-US defense explained, adding, "It is difficult for them to purify fuel in a minute way like Japan can."

Former US Joint Staff Chairman Pace and other officers have frequently remarked "Pakistan needs to be supplied Japan's quality oil." Behind this praise is the MSDF's steady effort as mentioned above by devoting itself heart and soul to quality control, which is Japan's forte.

There is a rumor, however, that the Pakistani Navy has illegally put the quality fuel provided by the MSDF on the black market. A ranking official in charge of the Afghanistan issue at the US Department of Defense asked Pakistani military authorities about this suspicion and received this answer: "Such a thing is absolutely impossible."

(7) How about food safety? BSE (Part 5): Japan-US negotiations on import expansion now in home stretch

ASAHI (Page 3) (Full)
October 12, 2007

Japan has set a requirement to allow the US to export only beef from cattle 20 months or younger as a safeguard measure to prevent BSE. Negotiations between Japan and the United States on whether Japan should increase imports by easing the condition are now in the home stretch.

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The World Organization for Animal Health (OIE), which determines safety regulations for livestock, classified the US this May as a country with a "controlled BSE risk" and allowed it to export beef with no other conditions attached than removing specified risk materials (SRM) and having no vertebral material. On the strength of this OIE authorization, the US is pressing Japan to abolish its age-limit requirement.

In Japan, the Agriculture, Forestry and Fisheries Ministry (MAFF) and the Health, Labor and Welfare Ministry are now engaged in work to reduce the risk of BSE infection, such as measures to prevent meat-and-bone meal from being mixed in feed for cows. Japan hopes to reach an agreement on a measure to raise the age limit to 30 months.

The US, however, insists that the age-limit requirement should be completely abolished. A MAFF official commented: "If (the US) agrees to Japan's terms, there will inevitably be some effect on negotiations with South Korea, Hong Kong, and other trade partners."

Once an agreement is reached in the negotiations, the Cabinet Office's Food Safety Commission will start the assessment of BSE risk to humans. However, when the panel approved Japan's resumption of US beef imports two years ago, it came up with no other judgment than just confirming that the agreed-upon export procedures should be observed. Some committee members complained that the panel had discussed the issue based on the assumption of an import resumption.

In actuality, beef with backbones was found in a veal shipment from the US just after Japan resumed imports. Following this incident, the government came under heavy fire, with some claiming that the government neglected the necessary prior inspection of slaughterhouses in the US out of consideration to the US, which was urging Japan to import US beef.

Will the government be able to avoid a repeated mistake and protect food safety? The government will soon have to undergo a pressing additional test.

(8) Kyoto Protocol: Thirteen industries to further cut CO2 emissions to achieve goal; Challenge is reduction by household sector and operations sectors

In cooperation with government efforts to achieve the greenhouse gas reduction goal set under the Kyoto Protocol, 15 industries yesterday reported at a meeting of a joint council of the Environment Ministry and the Ministry of Economy, Trade and Industry (METI) on their plans to review their action programs, which they have voluntarily adopted. According to their reports, the 13 industries, including the chemical, paper-manufacturing and cement industries, have raised their numerical targets. The electric power industry, which finds it difficult to achieve its target, has also formally reported on its plan to increase purchases of carbon emissions rights from abroad. All industries will come up with additional measures by the end of October. However, the prevailing view is that efforts by the manufacturing sector have reached a limit. The future challenge will

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be reduction efforts by households and offices.

Falling short of 2.7 PERCENT

Representatives of the 13 industries reported their plans to raise their reduction targets at the joint panel meeting on October 11. The cumulative amounts of their increased reduction targets raised totaled approximately 13 million tons in terms of CO2. Industrial circles have voluntarily set an action program to realize a 6 PERCENT cut in greenhouse gas emissions on average over five years between fiscal 2008 and fiscal 2012, compared with the 1990 level.

However, according to a government estimate, even if their plan is attained, carbon emissions in fiscal 2010 would increase by 0.9 PERCENT -2.1 PERCENT, compared with the 1990 level. It means that it would be necessary to cut emissions by up to 8.1 PERCENT in order to achieve the goal set under the Protocol.

The government plans to make up for 1.6 PERCENT out of the 8.1 PERCENT shortfall by obtaining emissions credits from other countries. Another plan is to cover another 3.8 PERCENT by boosting reforestation efforts. Even so, there are no prospects for achieving the remaining 2.7 PERCENT cut or 34 million tons at the most. It has, therefore, sought additional cuts from industry circles.

Reductions of 13 million tons, additional cuts reported on the 11, are equivalent to 40 PERCENT of the 2.7 PERCENT, which still remains to be addressed. Industry sectors plan to further reduce greenhouse gas emissions through the introduction of new energy-conserving equipment and the use of wind-power generation.

Other industries, such as auto and home electronics industries and department stores, also intend to reveal their plans to revise carbon emissions plans. About 100 business types are in the end expected to come up with measures to cut carbon emissions.

Vice METI Minister Takao Kitabata welcomed the move, noting, "It is desirable that the industrial sector has come up with additional cuts."

Among industries that find it difficult to achieve the targets is the Federation of Electric Power Companies. It, however, revealed a plan to increase the purchases of greenhouse gas emissions rights from 30 million tons to 120 million tons. The Japan Iron and Steel Federation also presented a plan to boost the purchases of carbon emissions rights from 28 million tons to 44 million tons.

The point has been made that efforts by industrial sector have reached a limit

However, the manufacturing sector has cut emissions by 5.5 PERCENT in terms of its track record, compared with the 1990 level. One panel member during a meeting on the 11th pointed out that efforts by the industrial sector have reached a limit, saying, "Japan's energy-conserving level is high from a global perspective." Another member voiced skepticism about the feasibility of the electric power industry achieving its additional target.

Due to the dissemination of electronic office equipment and computers, carbon emissions in the operation sector jumped 44.6 PERCENT in fiscal 2005, compared with the 1990 level. Emissions from the household sector also jumped 36.7 PERCENT due to the

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dissemination of large-size home electronics.

For this reason, the government will mandate in a bill amending the Energy-Conserving Bill to be submitted to the regular Diet session next year that small stores, such as convenience stores, submit an energy-conserving plan.

As a master card for cutting emissions, the Environment Ministry is considering introducing an environment tax, which is to be imposed in proportion to the amounts of emissions trading by companies and greenhouse gases they emitted. However, business circles are opposed to the idea, citing that such a tax would deprive them of freedom of economic activities. Revisions of measures to cut carbon emissions by industry sectors aimed at achieving a goal to cut greenhouse gas emissions are now in the final stage.

DONOVAN